

DAIRY GOAT MILK MARKETING IN OHIO

By

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INTRODUCTION

Although the production and marketing of dairy goat milk have generated considerable interest, little information has been published. A survey questionnaire was developed to provide information about this enterprise. The survey consisted of four sections: the first section contained questions about herd data, the second section contained questions on production and marketing information, the third section was designed to obtain opinions about forming a dairy goat milk marketing cooperative in Ohio, and the last section requested information for establishing future research and extension priorities in dairy goat milk production and marketing.

In July of 1982, 766 questionnaires were mailed to goat milk producers using a mailing list provided by the American Dairy Goat Association. From this mailing, 226 usable questionnaires were received for a response rate of 30 percent. Portage County had the largest number of respondents (12), followed by Geauga and Fairfield Counties with nine and seven respondents, respectively. Sixteen of the seventy counties responding to the survey were represented by only one completed questionnaire.

HERD INFORMATION

The Ohio herds participating in this survey ranged in size from one to 70 head; 54 percent of the reporting herds had been in operation less than five years. As shown in Table 1, more than 70 percent of the herds contained one or more American or pure bred doe and buck. Almost two-thirds of the herds contained one or more registered pure bred or American doe kid. At the time of the survey, 61 percent of the herds were milking two to five does. Approximately 55 percent of the herds in the survey were keeping one or more does for sale as breeding stock. However, only 34 herds, or 15 percent, were participating in a DHIR testing program.

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TABLE 1: Profile of Dairy Goat Herds, Ohio, 1982

Herd Contains:	Number of Herds	Percent
One to six mature American or purebred does	164	72%
One or two recorded grade mature does	73	32
One or two unrecorded or unregistered mature does	46	20
One to three purebred or American bucks	158	70
One to five registered purebred or American doe kids	144	64

Source: Survey data.

Only 14 (6.1 percent) of the 226 respondents indicated that they were currently raising goats for commercial dairy production purposes. Reasons commonly cited for not raising goats for commercial dairy production were: high cost involved in purchase of commercial dairy equipment, non-existence of regulations concerning the grade "A" production of goat milk and lack of a proven record for their product. The majority of the respondents raised goats mainly for their own family's use, meat and milk production for their own consumption, milk to feed the family's calves and sheep, and in some instances the animals were kept as family pets.

GOAT MILK SUPPLY AND MARKETING

Survey respondents reported daily milk production ranging from 0 to 20 gallons with the average being 2 gallons per day. Only 18.4 percent of the respondents sold goat milk. The most common marketing channel reported was where the buyers came to the farms and purchased the goat milk in glass bottles. The respondents that transported and marketed milk away from the farms sold mostly to health food establishments and health food enthusiasts.

The most commonly used promotional and advertising strategy for selling goat milk was word of mouth. In spite of the limited promotion and advertising approximately 80 percent of the respondents indicated that the demand for their goat milk had increased during the past five years.

Future Plans

Sixty-seven percent of the respondents indicated that they were not seriously considering starting a grade "A" dairy operation. Only 30 percent of the respondents indicated that they were considering starting a grade "A" dairy operation. These respondents indicated that their grade "A" dairy operation would need between eight and 325 head to maintain it. No ideal herd size was identified by these respondents.

Pricing

How dairy goat milk should be priced at the farm level was not resolved through this survey. Sixty-two percent of the respondents felt that the standard butter fat content for goats milk should be higher than 3.5 percent. The same percentage of respondents also felt that goats milk should be sold on a hundred weight and butter fat combination basis. However, 60 percent of the respondents had no opinion on that combination basis of cows milk. Apparently many dairy goat milk producers are not familiar with the pricing procedures for dairy cows milk.

Establishment of a Cooperative

Many of the respondents have reservations about forming an Ohio Dairy Goat Milk Producers Cooperative. Only 30 percent of the respondents were supportive of forming a coop. An additional 50 percent were undecided about the merits of a cooperative. These results suggest that dairy goat producers do not clearly understand the potential advantages of forming a cooperative.

RESEARCH AND EXTENSION PRIORITIES

More than 90 percent of the respondents indicated that increased milk production per goat, genetic engineering, and finding a market for their product were their priority areas for research. More than 80 percent of the respondents indicated that they used the cooperative extension service as a source of information about goats. The respondents sought help in learning about current research findings on animal production, health care and goat milk production.

CONCLUSIONS AND IMPLICATIONS

This survey shows that more than half of the dairy goat herds in Ohio are made up of pure bred stock and have been in operation for five years or less. Herd owners are concerned and interested in developing superior animals through better breeding and herd management, especially herd health care and feeding programs.

Dairy goat milk producers in Ohio are aware of the importance of establishing a market for dairy goat milk and dairy goat milk products. However, only 30 percent of the respondents are seriously considering a grade "A" dairy operation. If the producers were assured of a profitable market for their milk, a larger number probably would consider a commercial operation. No information is currently available on the market potential for dairy goats milk and milk products in Ohio. Because herd sizes are small and they are dispersed throughout the state, some method will need to be developed for assembling individual producers milk. The formation of a dairy goat milk marketing cooperative is one alternative for assembling, processing and distributing dairy goat milk on a volume basis to the Ohio markets. The results from this survey show, however, that most Ohio dairy goat producers are not interested in joining a cooperative. The benefits and costs of a dairy goat milk marketing cooperative will need to be communicated to the producers in the state if such an organization were to be successful.

Dairy goat milk producers in Ohio have a keen desire to develop their industry. The potential market for their products needs to be determined so that the industry can grow profitably.